



## Missouri Department of Natural Resources Energy Center

### MISSOURI ENERGY BULLETIN

May 22, 2003

The Missouri Energy Bulletin is distributed twice a month by the Missouri Department of Natural Resources Energy Center. The Energy Bulletin is a public resource that is made available to state government decision-makers, to any other interested individual upon request and on-line at the Energy Center Internet site.

The Department of Natural Resources, Energy Center thanks each of the following in helping to provide accurate, timely data on fuel supplies and prices: the U.S. Department of Energy's (USDOE) Energy Information Administration (EIA) and Chicago Regional Office; the National Association of State Energy Officials (NASEO); the Missouri Propane Gas Association (MPGA) and the Propane Education and Research Council (MoPERC); the St. Louis AAA Auto Club; regional state energy offices; and, Missouri's energy retailers.

The Energy Center collects transportation and propane heating fuel prices from various retail providers located throughout the state. To preserve confidentiality, price data are averaged and reported by region. Unless otherwise noted, energy prices and supplies shown throughout this bulletin are from May 19, 2003. Also shown are energy data from a month ago, Apr. 21, 2003, and from a year ago, May 20, 2002.

#### **Transportation Fuels**

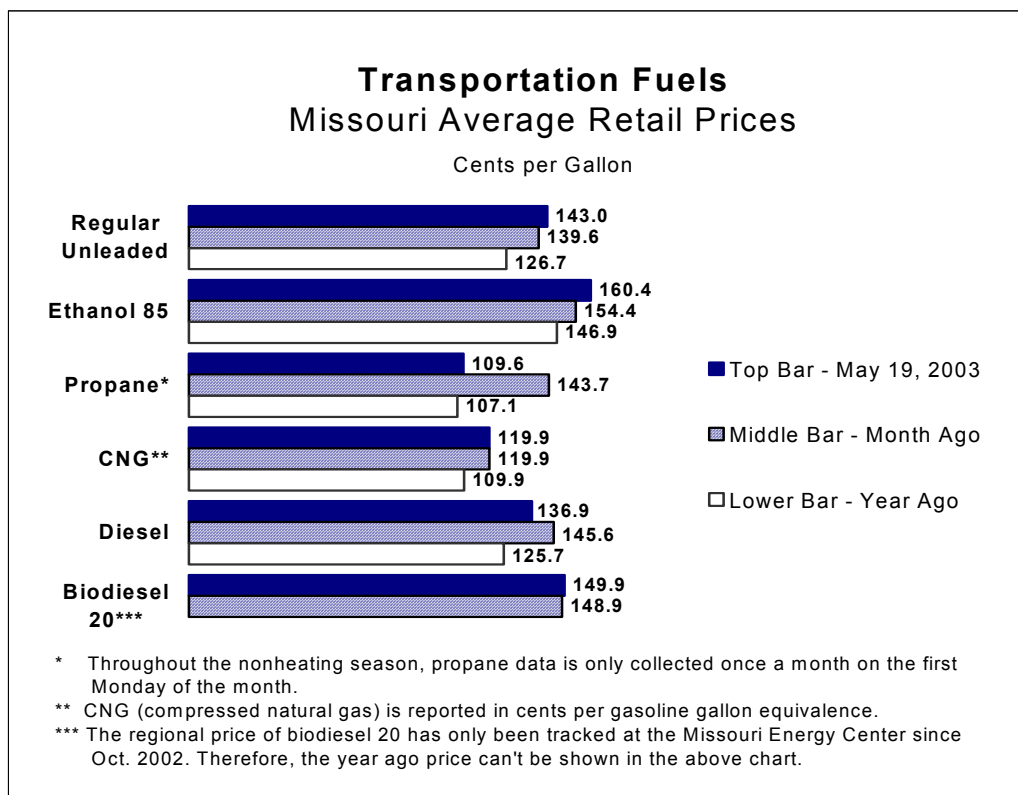
- The average retail price paid for regular unleaded gasoline in **Missouri**, throughout this last month, increased by 3.4 cents per gallon (2 percent) moving from 139.6 to 143.0 cents per gallon. Throughout this last year, the price paid increased by 16.3 cents per gallon moving from 126.7 to 143.0 cents per gallon, an increase of 13 percent.
- The average retail price paid for regular unleaded gasoline in the **United States**, throughout this last month, decreased 7.6 cents per gallon (5 percent) moving from 157.4 to 149.8 cents per gallon. Throughout this last year, the price paid increased by 10.1 cents per gallon, an increase of 7 percent.

#### **Regular Unleaded Gasoline** Average Retail Prices in the U.S., Midwest, Missouri and Missouri Regions

May 19, 2003 Fuel Data in Cents per Gallon

U.S.	149.8
Midwest	147.5
Missouri	143.0
Central, Mo.	143.7
Kansas City, Mo.	149.7
Northeast, Mo.	139.9
Northwest, Mo.	147.3
St. Louis, Mo.	144.3
Southeast, Mo.	132.1
Southwest, Mo.	143.4

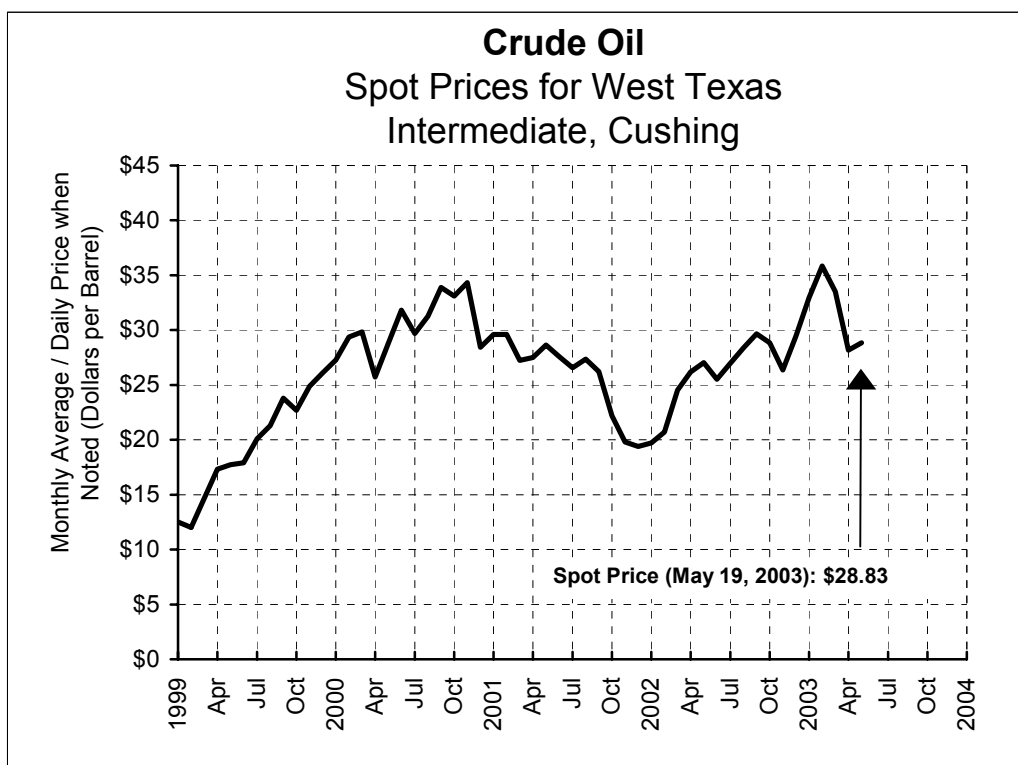
- The average retail price paid for highway diesel fuel in **Missouri**, throughout this last month, decreased by 8.7 cents per gallon (6 percent) moving from 145.6 to 136.9 cents per gallon. Throughout this last year, the price paid increased by 11.2 cents per gallon moving from 125.7 to 136.9 cents per gallon, an increase of 9 percent.
- Total motor gasoline stocks in the **Midwest**, throughout this last month (Apr. 18 to May 16) were up by 1.7 million barrels (4 percent) moving from 47.9 to 49.6 million barrels. In the **United States**, stocks were up by 7.2 million barrels moving from 201.2 to 208.4 million barrels, an increase of 4 percent.
- Total motor gasoline stocks in the **Midwest**, throughout this last year (May 17, 2002 to May 16, 2003), were down by 2.9 million barrels (6 percent) moving from 52.5 to 49.6 million barrels. In the **United States**, stocks were down by 7.7 million barrels moving from 216.1 to 208.4 million barrels, a decrease of 4 percent.
- Daily production of total finished gasoline in the **Midwest**, throughout the week ending May 16, decreased from 2,163,000 to 1,988,000 barrels. Daily production in the **Gulf Coast** region, a major supply source of gasoline to Missouri, increased from 3,652,000 to 3,664,000 barrels. This compares to year-ago daily production levels of 2,000,000 barrels in the **Midwest** and 3,650,000 barrels in the **Gulf Coast**.



- Total U.S. gasoline production stands at 8.5 million barrels per day as of May 16.

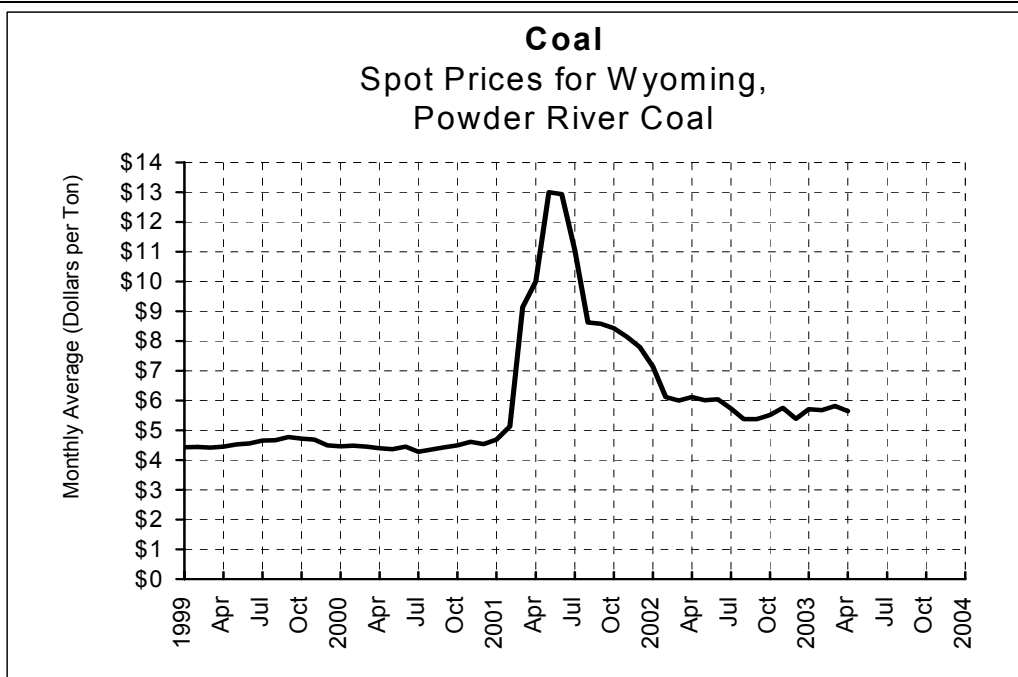
### Crude Oil

- The spot price of crude oil (West Texas Intermediate - Cushing), throughout this last month, decreased by 2.05 dollars per barrel (7 percent) moving from 30.88 to 28.83 dollars per barrel. Throughout this last year, the spot price increased by 0.50 dollars per barrel moving from 28.33 to 28.83 dollars per barrel, an increase of 2 percent. (Source: *Wall Street Journal*, May 20, 2003)
- U.S. commercial crude oil inventories (excluding those in the Strategic Petroleum Reserve) increased by 600,000 barrels last week, but are still 35.3 million barrels less than last year at this time. U.S. crude oil inventories currently stand at 285.1 million barrels.



### Coal

- Coal-fired electric power plants located in Missouri produced 84 percent of all electric power used throughout the state in 2001. Of all coal delivered to Missouri during 2000, about 96 percent came from Wyoming. Missouri spent \$644 million to purchase coal in 2000. Missouri ranked 19<sup>th</sup> in the nation in electricity expenditures (\$4.4 billion) and electricity consumption (72.6 billion kWh) in 2000.
- The monthly average price paid for Wyoming, Powder River coal, throughout this last month (Mar. to Apr.), decreased by 0.17 dollars (3 percent) moving from 5.82 to 5.65 dollars per ton. Throughout this last year (Apr. 2002 to Apr. 2003), the average price paid decreased by 0.47 dollars moving from 6.12 to 5.65 dollars per ton, a decrease of 8 percent. (Source: *Wyoming Insight*, Apr. 25, 2003)



- U.S. DOE estimates that U.S. coal production increased by 0.3 million short tons (mst) or 1.5 percent from 19.9 mst to 20.2 mst. Year-to-date production stands at 397.2 mst, or 6.7 percent behind last year's production at this time.

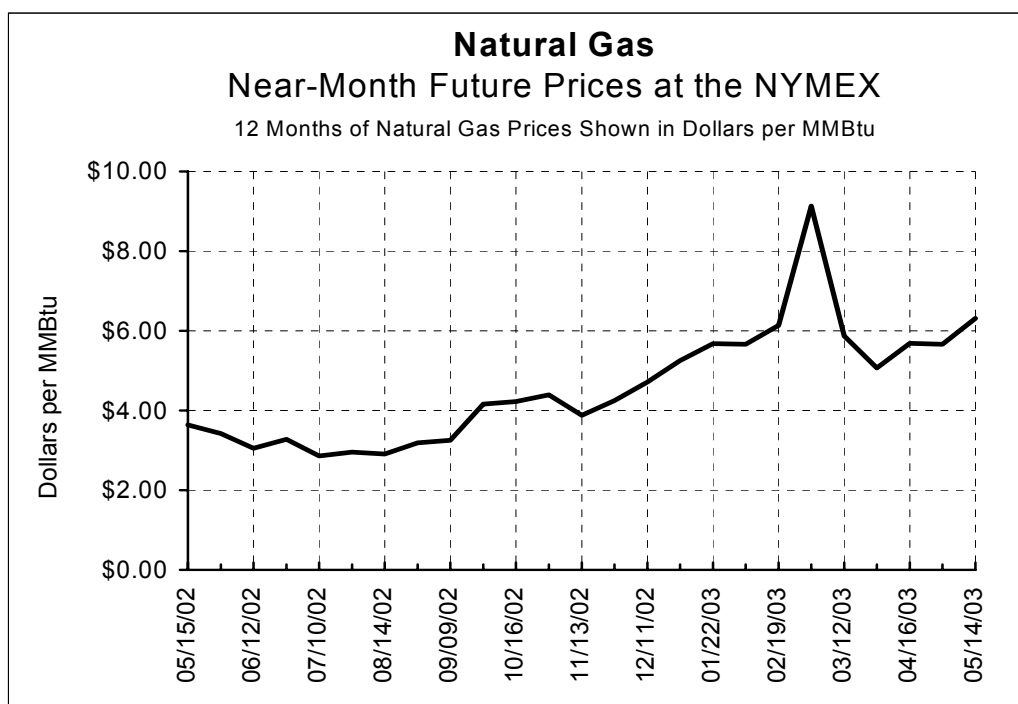
### Heating Fuels

Heating fuels tracked in the Missouri Energy Bulletin include natural gas, propane and residential heating oil. All heating fuel prices and supplies shown from October through March are updated in every new release of the bulletin. From April through September, propane and heating oil prices and supplies are either not available or revised once a month.

### Natural Gas

- Approximately 60 percent of Missouri households use natural gas to heat their homes. Natural gas is also used to produce goods and electricity. From 1997 to 2000, Missouri electric utilities' use of natural gas increased by an annual average of 23 percent.
- The spot price for natural gas at the Henry Hub, throughout this last month, increased by 0.60 dollars per MMBtu (11 percent) moving from 5.56 to 6.15 dollars per MMBtu. Throughout this last year, the price paid increased by 2.73 dollars per MMBtu moving from 3.42 to 6.15 dollars per MMBtu, an increase of 80 percent. (Source: *Wall Street Journal*, May 20, 2003)
- The near-month contract settlement price paid for natural gas futures at the NYMEX, throughout this last month (Apr. 16 to May 14), increased by 0.64 dollars per MMBtu (11 percent) moving from 5.68 to 6.31 dollars per MMBtu. Throughout this last year (May 15, 2002 to May 14, 2003), the price paid increased by 2.67 dollars per MMBtu moving from 3.64 to 6.31 dollars per MMBtu, an increase of 73 percent.

- Working gas in storage was 990 Bcf as of Friday, May 16, 2003, according to EIA estimates, which is 34.9 percent below the 5-year average inventory level for the comparable reporting week. This represents a net injection of 90 Bcf, the largest of this year's refill season, which is also about 32 percent more than was injected for the comparable reporting week last year.
- Although the refill season started off slowly with two weeks of net withdrawals in April, over the past three weeks injections have averaged nearly 12 Bcf per day, which is nearly 3 Bcf per day greater than the pace last year during the same period.
- The cold winter and lingering cooler-than-normal temperatures into April and May have led to lower levels of natural gas in storage, contributing to prices that remain significantly higher than last year at this time.

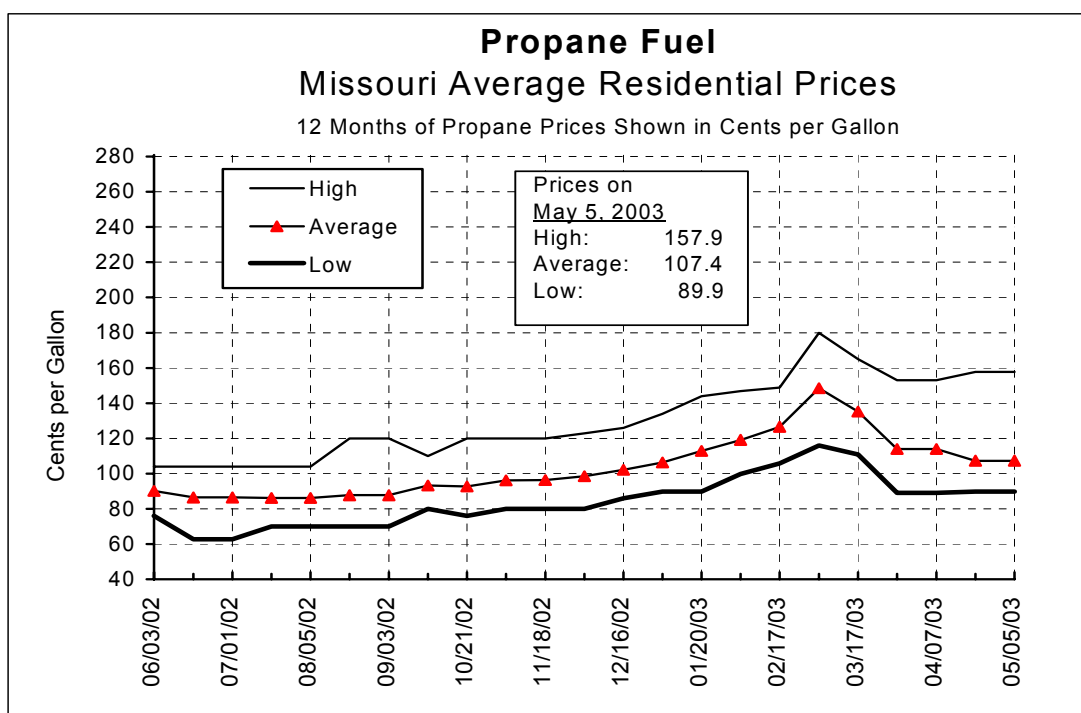


## Propane

- Approximately 12 percent of Missouri households heat with propane, which is also used to support commercial operations, produce goods, dry grain harvests and fuel vehicles. In 2000, Missourians spent about \$459 million and used 455 million gallons of propane.
- Propane stocks in the **United States**, throughout this last month (Apr. 18 to May 16), were up by 6.6 million barrels moving from 22.3 to 28.9 million barrels, an increase of 30 percent. In the **Midwest**, stocks were up by 1.9 million barrels (28 percent) moving from 6.8 to 8.7 million barrels.
- Propane stocks in the **United States**, throughout this last year (Apr. 30, 2002 to May 16, 2003), were

down by 16.9 million barrels (37 percent) moving from 45.8 to 28.9 million barrels. In the **Midwest**, stocks were down by 7.4 million barrels moving from 16.1 to 8.7 million barrels, a decrease of 46 percent.

- Last week's 2.1-million-barrel stockbuild, coupled with the prior week's robust 3.2-million-barrel stockbuild, put on target U.S. inventories of propane reaching or even exceeding the most recent 5-year average May build of 9.3 million barrels. The stockbuild so far this month has totaled about 57 percent of the average build expected in May, with inventories reaching an estimated 28.9 million barrels, a level that still tracks below the average range for this period. But with the expectation of strong imports during the remainder of May and June, the potential for U.S. inventories of propane moving back within the average range during this period is significant.



### **Residential Heating Oil**

- Residential heating oil stocks in the **Midwest**, throughout this last month (Apr. 18 to May 16), were up by 0.9 million barrels (13 percent) moving from 7.1 to 8.0 million barrels. In the **United States**, stocks were up by 2.0 million barrels (6 percent) moving from 32.0 to 34.0 million barrels.
- Residential heating oil stocks in the **Midwest**, throughout this last year (May 17, 2002 to May 16, 2003), were down by 0.2 million barrels (2 percent) moving from 8.2 to 8.0 million barrels. In the **United States**, stocks were down by 15.3 million barrels (31 percent) moving from 49.3 to 34.0 million barrels.
- DOE reported a distillate build of 2.8 million barrels, placing U.S. inventories at 102.7 million barrels, a year-to-year deficit of 21.2 million barrels.